Disability Network Business Strategies:
A Roadmap to Financial and
Programmatic Sustainability for
Community Based Organizations
DRAFT

Step 1: Prepare

Understand the Business
Environment and Your Place
within It

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Understand the Business Environment and Your Place within It

As a Community Based Organization (CBO) serving people with disabilities your business may need to change. It may need to grow due to demand, it may need to become more efficient due to rising costs, or it may need to rapidly adjust itself to a new payer system, such as a state transition to Managed Long Term Services and Supports (MLTSS). Regardless of the impetus, before you begin to change, you need to plan for that change. The information you gather through discussions with community leaders, review of regulations and guidance materials, review of your internal financial position and operating practices will help you to understand the current and anticipated environment you will work in. With all of the information in hand, you will then be ready to develop the strategic plan for your organization.

Things to consider as you review:

- What is your goal?
- What is your vision?
- Who do you want and need to help you build a strategic plan?

Strategic Plan

A strategic plan guides the work that your organization will do. The business intelligence you gain through the evaluation of your internal and external environment will be used to create the strategies you will use to successfully drive your organization to success. The environmental scan, a strengths, weaknesses, opportunities, and threats (SWOT) analysis, and champion input and feedback are ways to collect the relevant and reliable information that you will base your decisions on. Figure 1: Strategic Plan Process highlights the key steps you will take when you develop your strategic plan.

Figure 1: Strategic Plan Process
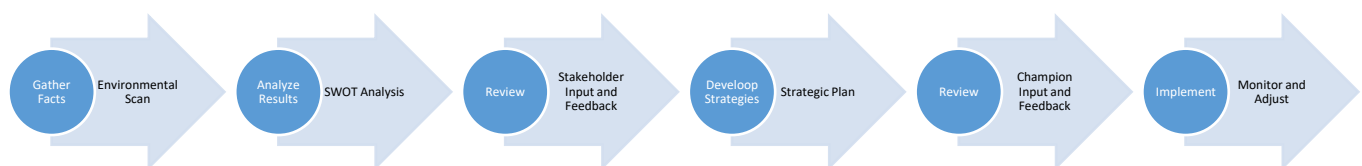
The purpose of this document is to help you identify the materials, people, and facts that will help you develop a strategic plan. The templates provided throughout this document can be used to capture the content you will need to develop the plan with your team.

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To prepare you for the development of your strategic plan, this resource will describe how to:

A. Develop an organization vision
B. Conduct an environmental scan
C. Conduct a SWOT Analysis
D. Identify champions

A. Organization Vision

Perhaps you have heard that the method in which home and community based services will be delivered in your state is about to change. Perhaps the state is planning to utilize MLTSS where health plans are held accountable for the delivery of care and services. Maybe you have seen changes in utilization from your current payers and want to diversify your portfolio. Regardless of the impetus to improve or expand, a vision for your organization that defines clear business objectives will be the base from which your planning will occur.

Your vision needs to be translated into a concise statement that describes the business goals for your organization – what you hope to achieve. The vision statement will serve as a guide for strategic decision making across your organization. It should be inspiring, compelling and understandable. It should make people want to support what you do.

To develop a clear vision for your work:

- Articulate a statement that captures what you are trying to accomplish;
- Identify the results you are trying to achieve and the strategies and activities that will lead to those results; and
- Describe your "niche", or how you fit within your community.

Table 1: Vision Development Template

Identify	Document
What is it that you want to do?	
What part of your business do you want to sustain or develop?	
How does your service or organization fit within your community?	
What will you do to be successful?	
How will you know if you were successful?	

Examples:

- **[TO BE PROVIDED BY THE LEARNING COLLABORATIVE STATE TEAMS]**

The details you put into your vision statement will help you identify the information you need to inform your work. You will collect most of this information through an environmental scan.

B. Environmental Scan

An environmental scan is a structured way to identify, collect and evaluate information about the forces that impact your business. The environmental scan for most CBOs will include information about federal, state and local leadership; managed care and other payers; CBOs and other service providers who may be competitors or collaborators; technology/system requirements; demographics; and the economy. Review your vision statement to see if there is additional information, organizations or agencies that you need to talk to in order to fully inform your work. The current or emerging state of each of these factors may impact the direction your organization takes.

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Figure 2: Components of a CBO Environmental Scan
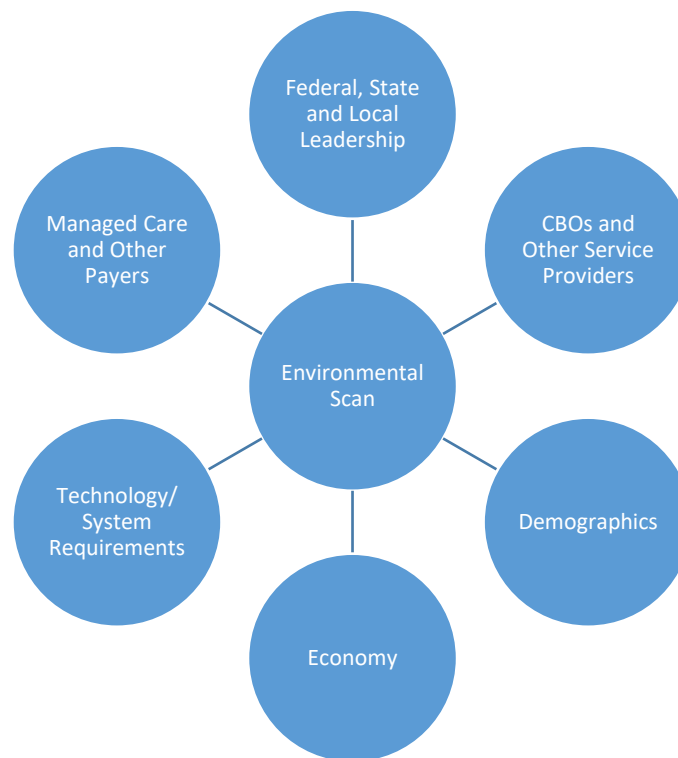
Federal, State and Local Leadership

Policy maker priorities change over time. Since LTSS is primarily funded by Medicaid, an understanding of how federal, state and local leadership is thinking about the delivery of LTSS will enable you to anticipate and plan for how you will be a part of the system. A review of the laws and regulations that impact and guide your work and the work of those you seek to partner with can help you identify opportunities for alignment between your services and the expectations of your potential payers. For example, in a state that utilizes MLTSS, state and federal regulations, managed care organization (MCO) contracts and requests for proposals will outline the expectations of the health plans you seek to work with.

Questions to answer:

- What are the preferences and priorities of key policymakers and political leaders?
- Is the change a part of a political campaign? Who is driving it?
- Are major transitions in political leadership about to take place?
- What is the mood and priorities of the public at large?

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- Are there any federal, state or local policies or regulations that could impact your efforts to pursue partnerships with the healthcare sector (e.g. HCBS settings rule, service restrictions or reimbursement opportunities)?
- Is your state using or transitioning to MLTSS?

Managed Care and Other Payers

Revenue is the life-blood of an organization. Payers for CBO services may include, but are not limited to, managed care entities, accountable care organizations, county or private pay clients. An evaluation of all potential payers will help you determine where you need to build or further develop relationships. It will also provide insight into how they work and what their unique needs and priorities are. This information will help you customize strategies to maximize those relationships.

Questions to answer:

- Where does funding come from? i.e. managed care, the county, the VA, etc.?
- What is the "payer culture" - the shared values, attitudes, standards, and beliefs of that organization?
- What are the priorities and initiatives of funding sources?
- Who are collaborative forces; who are competitive forces?
- What are the requirements of the payers you hope to work with?
- How can your services help them meet their requirements?

Community Based Organizations and Other Service Providers

An assessment of the market requires that you identify and understand the current market trends that will impact your organization. Part of this requires that you evaluate the strengths and weaknesses of your competition and potential collaborators. For example, you may be able to develop a program that payers need by partnering with a CBO that complements your service (e.g. a specialized behavioral health provider and a CBO providing relocation services). On the other hand, a new provider that offers the same exact service, to the same exact population in the same geographic region may present as a new competitor. You will want to understand their strengths and weaknesses in order to identify how you differ or where your value proposition to payers and clients lies.

Questions to answer:

- What organizations in your community do work similar to you or serve similar populations?
- Are they potential (or current) partners?
- How are you similar to these organizations?
- How are you different?
- What capacity do these organizations bring to your community?
- What is your organization's unique capacity?

Technology/System Requirements

Technology systems continue to evolve. Most health, and an increasing number of social service entities, utilize an electronic platform to maintain information and share data. A look at how your current processes work in comparison to potential payers or partners will enable you to identify gaps or opportunities for process/system improvements. When complementary, the systems you use will better enable you to meet and report on contract requirements.

Questions to answer:

- What data do payers receive from you?
- What systems will you use to demonstrate your value?
- What systems do they use?
- Do you have the ability to collect and transfer data in real time?
- Do you have systems to measure quality and performance?

Demographics

Your organization may have a strong history serving a specific population. However, the services you provide may also be applicable to other populations. An evaluation of the demographics of the area you serve may highlight changes in ages, disabilities or socio-economic status of your current or potential clients. For example, as the family caregivers of people with disabilities begin to age, they may no longer be able to continue to provide that care or even require care themselves. You may be able to fill that gap.

Questions to answer:

- Are new populations emerging in your community that would benefit from the services you offer?
- Do you need to adapt how you provide services in order to meet the needs of a new population?
- Are you expecting the demand for your services to increase or decrease over time?
- Are needs changing as family caregivers age?

Economy

Changes in the economy can indicate changes in people's finances, spending habits and how public dollars are utilized. Changes in Medicaid beneficiaries in your area can indicate an opportunity for contracts with those responsible for the management of those dollars whereas, a new business in town may draw people to the community and an opportunity to provide services to private-pay clientele.

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Questions to answer:

- What is the general economic state of your community, including the fiscal conditions of your state and locality?
- To what extent do changing economic conditions affect demand for the types of services you offer and the availability of resources to support your work?

Document your findings as you gather information in each of these areas.

Table 2: Environmental Scan Template

	General Trends
Federal, State and Local Leadership	
Community Based Organizations and Other Service Providers	
Managed Care and Other Payers	
Technology/System Requirements	
Demographics	
Economy	

C. SWOT Analysis

A strengths, weaknesses, opportunities and threats (SWOT) analysis is used to assess your organization's abilities and general position in relation to the findings of your environmental scan. This is an opportunity to identify all major factors affecting your organization's operations and formulate a response strategy.

During the review of your environmental scan results, look at the internal workings of your organization and identify the strengths (e.g. history of serving your population, knowledge of community resources) and weaknesses (e.g. inability to meet payer requirements) of your organization.

To paint an accurate picture of where your strengths and weaknesses lie, gather information from your:

- Current strategic plan
- Budget/finance reports
- Quality tools/metrics
- Other reporting systems
- Organizational charts
- Policy, procedure and process materials

Utilize the information you have available to fully understand your current internal environment and capabilities. Do your current strategies, reports and procedures align with the trends identified in the environmental scan? Are there gaps with the current state?

Once you have a baseline understanding of your current strengths and weaknesses, you can evaluate the external opportunities (e.g. new population, new geographic area, way to demonstrate how management of social determinants of health[1] impact potential payers), and the threats (e.g. new organizations entering the system) that impact your success,

Finally, put all of the pieces together (Table 3: SWOT Analysis Template) and review your analysis for accuracy and completeness. Do your strengths create any new opportunities? Are there weaknesses that initially were perceived to be minimal, but are now a problem in light of new threats?

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[1] **Social Determinants of Health –** life-enhancing resources, such as food supply, housing, economic and social relationships, transportation, education, and health care, whose distribution across populations effectively determines length and quality of life.

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Table 3: SWOT Analysis Template

|	General Trends (from Environmental Scan)	Internal Environment		External Environment	
		Strengths	Weaknesses	Opportunities	Threats
Federal, State and Local Leadership					
Community Based Organizations and Other Service Providers					
Managed Care and Other Payers					
Technology/System Requirements					
Demographics					
Economy					

With a complete SWOT analysis built on facts and findings from your environmental scan in hand you can now vet your findings with others who have an interest in your work.

D. Identify Champions

To ensure that your interpretation of the environment is correct and complete, you will want to involve people who can influence, are interested and ultimately impacted by the work that you do. These people are oftentimes referred to as 'stakeholders'. Stakeholders are people or entities who have an interest or concern in your business. However, some stakeholders have greater influence and interest in your work than others. These people, called 'champions' can help you meet certain objectives and promote your success. Champions believe in your business and will help others believe in it as well. We will be talking about both of these contributors throughout this section since each contributor has value and serves a purpose – but the intent is to help you find the people who will have the greatest impact on your business.

The team that will help inform your strategic plan will include people who help you plan, people who connect you to the people and resources you need and finally people who will do the work with you.

FIGURE 3: Engage People to Inform your Strategic Plan
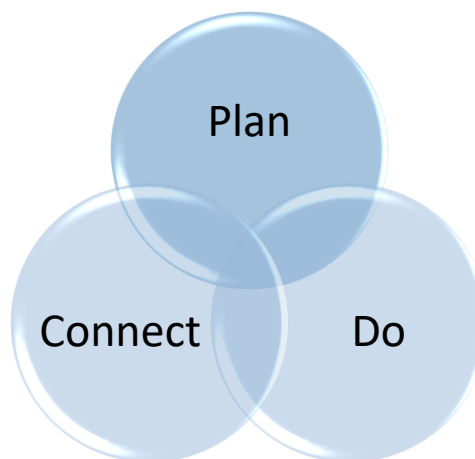
Identify the people who will:

- Help you plan
    - Who understands the broader landscape?
    - Who understands the intricacies of the challenges or opportunities you might embark on?
- Connect you to others
    - If you are building new relationships, who can help you find and connect you with the right people?
    - Who can make sure that you are communicating in the right ways to the right people at the right time?
- Do the work
    - Who is going to be responsible for the seeing the change through?
    - Who needs to update processes? Make decisions? Communicate with those around you?

Any of these people might come from unexpected or unconventional places. Stakeholders and champions in particular can help you plan and connect you to others. Think about your objectives and challenges and who can help you best meet them. Do not limit yourself to the traditional stakeholders that you currently engage. Business leaders, community leaders, or university faculty might all be able to share a new perspective, resource or collaboration.

> Identify where groups of stakeholders might be. Representatives from health plans often attend national conferences such as the HCBS[2], NCIL[3], and AHIP[4] conferences.

A review of the environment from the perspective of stakeholders and champions will help validate or further inform your understanding of the business environment and your role within it. Make sure that you have the right mix of people at the table. New potential payers such as health plans or hospital systems can help you identify and understand needs, government entities can provide insight into new requirements, technology experts can provide recommendations on data exchange, and other CBOs may identify opportunities to collaborate to increase capacity, efficiencies or reduce cost.

To find an appropriate mix of stakeholders that add value to the CBO's business objectives:

- Review the results from your SWOT analysis. Where were your gaps, opportunities and threats? Identify the experts in those areas who can help inform your business strategy.

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[2] https://www.hcbsconference.org/

[3] https://www.ncil.org/2017-annual-conference-on-independent-living/

[4] https://www.ahip.org/events/

- Consult with organizations that either are or have been involved in similar efforts, or that work with the population or in the area of concern.

- Identify someone from the key areas reviewed during the environmental scan to ensure that the feedback and insight you receive is well-rounded.

The following table identifies potential candidates from people and organizations who may be interested in or impacted by your work.

Table 4: Stakeholder Matrix

Potential Stakeholders			
Payers	**Community Partners**	**Utilizers of Services and/or Representatives**	**Government Entities**
☐ Medicaid ☐ Managed Care Organizations ☐ Accountable Care Organizations ☐ Private insurance carriers ☐ Facilities (e.g., hospitals, physician practices, health systems, community health centers, adult day centers, skilled nursing facilities, etc.) ☐ Fee-for-service purchasers	☐ Centers for Independent Living ☐ Social service providers (nutrition, housing, transportation, education services, etc.) ☐ Healthcare provider organizations (nurse association, medical associations, etc.) ☐ Legal Aid ☐ Schools/universities ☐ Churches ☐ Law enforcement ☐ Nonprofits ☐ Businesses ☐ Chamber of Commerce ☐ United Way	☐ Specific advocacy groups (National Council on Independent Living, Association of Rural Centers for Independent Living, AARP, The Arc, Alzheimer's Association, American Council of the Blind, American Association of People with Disabilities, National Organization on Disability, SABE, People First, TASH etc.) ☐ Protection and Advocacy ☐ Individual users of CBO services and their families	☐ Mayor's office ☐ State legislature (elected officials in state House and Senate) ☐ State Government Departments (Vocational Rehabilitation, Health and Human Services, Aging and Disability Services) ☐ State Disability Councils (Rehabilitation, Independent Living, DD, Mental Health, Assistive Technology, TBI)

Once you identify a list of potential stakeholders to engage, review it for gaps. Gaps may exist across stakeholder categories (e.g. people you serve, their families and caregivers are represented, but not payers) or within specific stakeholder categories (e.g. existing payers are represented, but not new or potential payers). If there has been a shift in demographics, you will want to ensure that your stakeholder group appropriately represents those you serve. Consider the racial, ethnic, geographic and disability mix amongst your stakeholders.

> It takes time and resources to manage stakeholders. Prioritize those who will make the most impact on your business. This will help you assign resources appropriately.

To ensure that your work is informed by those who will have the greatest impact on your success, review each candidate in relation to their level of influence and interest in your work. The individual combination of interest and influence will help you identify those with the most potential to act as a champion for your organization.

FIGURE 4: Identifying Champions: Influence vs. Interest[5]

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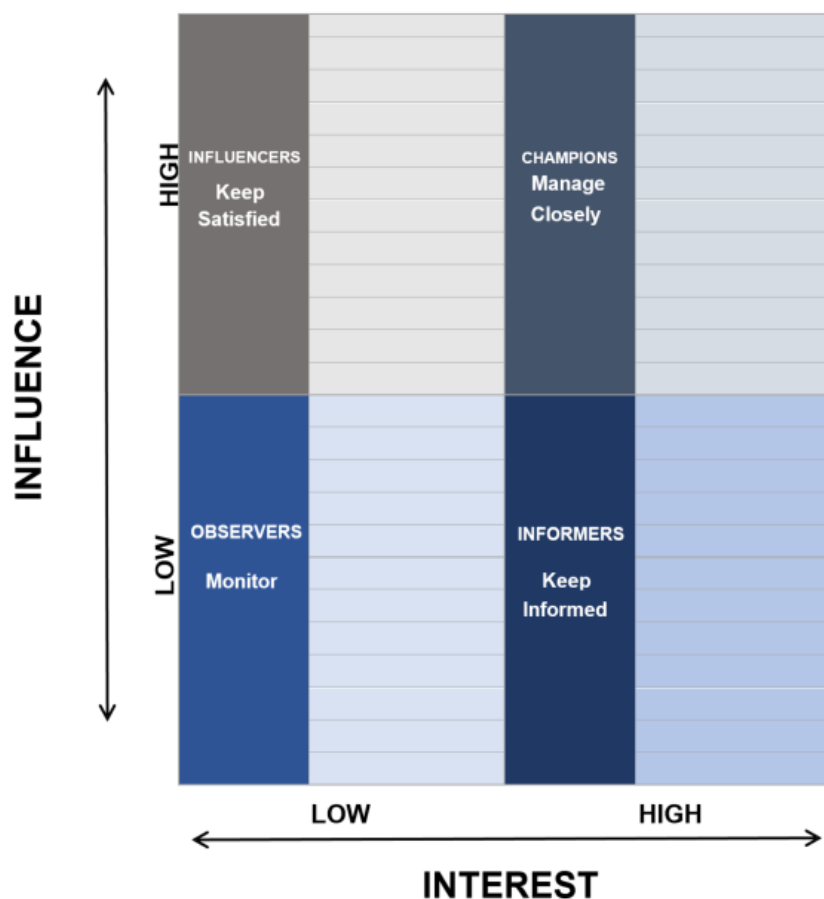
[5] Jonathan Boutelle, "Understanding Organizational Stakeholders for Design Success," Boxes and Arrows,

http://boxesandarrows.com/understanding-organizational-stakeholders-for-design-success/

High Influence, High Interest: Some stakeholders have a lot of influence and are very interested in your organization. It is vital to understand the viewpoints of your high influence, high interest stakeholders–specifically what potential activities they support and what objections they might raise. Engage,

> The best champions are **High Influence, High Interest stakeholders**!

communicate, and work with them closely. Consistently update and receive input from them. High influence, high interest stakeholders can be your greatest champions!

Low Influence, High Interest: Other stakeholders might have a lot of interest, but little real influence. Such stakeholders can be valuable sources of information: they can provide relevant resources and materials, inform you on the history of past experiences and help you identify challenges or obstacles you may encounter. These are good people to meet with first to

> **Low Influence, High Interest stakeholders** give you the contextual information needed to make your case with high influence stakeholders.

gather information and refine strategies. Keep these stakeholders informed.

High Influence, Low Interest: Stakeholders with high influence, but low interest need to be broadly satisfied. They will not pay attention to the fine print of your business needs, since they do not perceive the work to affect them. However, they have influence on whether your organization will be a success. The goal of your interactions with this type of stakeholder should be to give them enough information about your organization that they will not create obstacles.

Low Influence, Low Interest: You should spend less time with stakeholders who have little influence and little interest in your business. They are not interested in what you are doing, and are not in a position to help you do it. Monitor these stakeholders.

Champions can help provide insight and feedback in various ways. Wherever possible identify at least one champion from each group interested or impacted by your work. Identify how they will add value and how you would like them to help influence the success of your organization. Identify meaningful ways for the prospective stakeholder to contribute to the work and outcomes you have identified. Meaningful interactions with clearly defined expectations will inform your work and allow your champions to feel heard and respected.

Consider what it is that you want to know or the specific ways in which each stakeholder or champion can help your organization meet its objectives. Are they connected to a payer? Do they fill a specific gap (e.g. understand how to utilize and manage data)? Do they have a resounding strength (e.g. respect in the community, a great story-teller that can speak to your work)?

Each champion might contribute something different.

Payers

Payers provide the funding that allows your organization to provide services.

Ways payers inform your work:

- Identify needs.
- Identify gaps in services. Explore how your services may fill those gaps.
- Identify and describe expectations. This may include standards for quality, delivery of data, and reimbursement rules.

Community Partners

Community partners provide the resources and collaboration that contribute to the delivery of your services and ultimately your bottom-line. Partners are companies that you collaborate with in joint ventures or shared investment opportunities.

Ways community partners inform your work:

- Identify common challenges, goals or desired outcomes.
- Identify areas for collaboration. This may be in common areas or complementary areas where you maximize each other's strengths.

Utilizers of Services and/or Representatives

The people who use your services provide the revenue and cash flow your business needs to operate. You must understand what it is that the people who use your services want and address their needs on an ongoing basis. Individuals using your services, as well as their family members and caregivers, will hold your organization accountable for the provision of quality services and supports.

Ways utilizers of services and/or representatives inform your work:

- Describe needs and preferences - what they'd like to see in your organization – how to make any changes successful.
- Share concerns.

Government Entities

Government entities determine the expectations of the delivery system. They are invested in the overall success and can help you understand your role within their vision.

Ways government entities inform your work:

- Share requests for proposals, contracts, regulations and any other guidance documents.
- Describe the objectives of the delivery system.
- Identify gaps and priorities.

Table 5: Stakeholder/Champion Identification Table can help organize your stakeholder and champion list.

TABLE 5: Stakeholder/Champion Identification Table

Champion (* next to each champion)	Name	Category (payer, regulator, user, etc.)	Potential Contribution (staff, money, technology, information, influence)	Level of Interest (high/low)	Level of Influence (high/low)

Conclusion

Before you can develop a strategic plan, you must start with a plan. Gather the relevant data, documents and people that will help inform and guide your work. If you anticipate change for your organization, take the time to think through your vision, complete an environmental scan and SWOT analysis and identify those you want at the table with you. This activity will prepare you for the development and implementation of a strong strategic plan.

Resources

The HCBS Clearinghouse (hcbs.org) stores resources about the development of business relationships between community-based organizations that serve persons with disabilities and health plans and other integrated health services. To explore more resources related to business acumen for disability organizations, visit **hcbs.org** and conduct a keyword search of business acumen.